

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

JOSEPH A. DAOU and KAREN M. DAOU,

Plaintiffs,

vs.

BLC BANK, S.A.L., CREDIT LIBANAIS, S.A.L.,
AL-MAWARID BANK, S.A.L., and BANQUE DU
LIBAN,

Defendants.

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Case No. 1:20-cv-04438-DLC

DECLARATION OF CHRISTOPHER

J. MAJOR IN OPPOSITION TO

DEFENDANTS' MOTIONS TO

DISMISS THE FIRST AMENDED

COMPLAINT

I, CHRISTOPHER J. MAJOR, hereby declare under penalty of perjury pursuant to 28 U.S. Code § 1746, that the following is true and correct:

1. I am an attorney licensed to practice law in the State of New York and before this Court. I am a partner in the law firm of Meister Seelig & Fein LLP and counsel of record for Plaintiffs in the above-captioned action. As such, I have personal knowledge of the facts set forth herein. I respectfully submit this declaration, together with the annexed exhibits, in opposition to Defendants' respective motions to dismiss the First Amended Complaint (ECF 57, 59, and 62).

2. Attached as **Exhibit 1** is a true and correct copy of an article by Reuters entitled "Exclusive: Lebanon needs solution to crisis in days - Central bank governor," dated October 28, 2019.

3. Attached as **Exhibit 2** is a true and correct copy of an article by Bloomberg entitled "Lebanese Banks Curtail Transfers Abroad Amid Unrest," dated November 1, 2019.

4. Attached as **Exhibit 3** is a true and correct copy of an article by Sami Halabi and Jacob Boswall entitled "Lebanon's Financial House of Cards," dated November 2019.

5. Attached as **Exhibit 4** is a true and correct copy of an article by Bloomberg entitled "Lebanon Offers Banks Dollars as 'Haircut' on Deposits Ruled Out," dated November 11, 2019.

6. Attached as **Exhibit 5** is a true and correct copy of an article by Bloomberg entitled “Lebanon's Banks Set Limits They Won't Call Capital Controls,” dated November 17, 2019.

7. Attached as **Exhibit 6** is a true and correct copy of an article by Bloomberg entitled “Yields of 100% Push Lebanon’s Bonds Into Venezuela Territory,” dated November 20, 2019.

8. Attached as **Exhibit 7** is a true and correct copy of an article by the New York Times entitled “The Great Lebanese Ponzi Scheme,” dated December 2, 2019.

9. Attached as **Exhibit 8** is a true and correct copy of an article by The National entitled “S&P downgrades Lebanese banks as liquidity ‘appears to be diminishing’,” dated December 19, 2019.

10. Attached as **Exhibit 9** is a true and correct copy of an article by Asharq Al-Awsat entitled “Scandal of Lebanese Politicians’ Transfer of Billions of Dollars abroad ‘Confuses’ Banks,” dated December 20, 2019.

11. Attached as **Exhibit 10** is a true and correct copy of an article by Naharnet entitled “Oueidat Asks Swiss, Lebanese Authorities for Info on Suspected Transfers,” dated December 30, 2019.

12. Attached as **Exhibit 11** is a true and correct copy of an article by the Financial Times entitled “End of the party: why Lebanon’s debt crisis has left it vulnerable,” dated December 31, 2019.

13. Attached as **Exhibit 12** is a true and correct copy of Banque Du Liban’s Balance Sheet.

14. Attached as **Exhibit 13** is a true and correct copy of an article by Reuters entitled “Lebanon central bank asks banks to review politicians' transfers: circular,” dated January 16, 2020.

15. Attached as **Exhibit 14** is a true and correct copy of an article from Bloomberg entitled “Lebanon Takes Steps to Avoid Capital Flight,” dated January 30, 2020.

16. Attached as **Exhibit 15** is a true and correct copy of an article by Retail Banking Monitor entitled “Lebanon Banking Limits,” dated February 7, 2020.

17. Attached as **Exhibit 16** is a true and correct copy of an article from Bloomberg entitled “Lebanon Slammed by Double Downgrade as Bond Default Looms,” dated February 21, 2020.

18. Attached as **Exhibit 17** is a true and correct copy of an article by Asharq Al-Awsat entitled “Lebanon: Experts Call for Selling Part of Gold Reserves to Restructure Economy,” dated February 29, 2019.

19. Attached as **Exhibit 18** is a true and correct copy of an article from Naharnet entitled “BDL Says USD Account Withdrawals Have \$5,000 Monthly Cap,” dated April 22, 2020.

20. Attached as **Exhibit 19** is a true and correct copy of an article from Reuters entitled “‘Plain robbery’: Lebanese fume as dollar savings hit by financial crisis,” dated April 23, 2020.

21. Attached as **Exhibit 20** is a true and correct copy of an article from Bloomberg entitled “It’s Reform or Ruin for Lebanon,” dated April 30, 2020.

22. Attached as **Exhibit 21** is a true and correct copy of an article from Bloomberg entitled “Lebanon Tallies Up Its Debt Problem, Give or Take a Few Billion,” dated June 24, 2020.

23. Attached as **Exhibit 22** is a true and correct copy of an article from Bloomberg entitled “Lebanon’s Team of IMF Negotiators Loses Another Key Official,” dated June 29, 2020.

24. Attached as **Exhibit 23** is a true and correct copy of an article from Bloomberg entitled “Lebanon’s Economic Crisis Is Spinning Out of Control, Fast,” dated July 7, 2020.

25. Attached as **Exhibit 24** is a true and correct copy of BLC Bank S.A.L.'s webpage listing its correspondent banks in the United States.

26. Attached as **Exhibit 25** is a true and correct copy of Credit Libanais S.A.L.'s webpage listing its correspondent banks in the United States.

27. Attached as **Exhibit 26** is a true and correct copy of Al-Mawarid Bank S.A.L.'s webpage listing its correspondent banks in the United States.

28. Attached as **Exhibit 27** is a true and correct copy of an article from The Wall Street Journal entitled "Lebanon's Central Bank Fuels Corruption, Extremism Concerns," dated November 30, 2020.

29. Attached as **Exhibit 28** is a true and correct copy of a publication from the Foundation for Defense of Democracies entitled "Crisis in Lebanon: Anatomy of a Financial Collapse," published in August 2020.

30. Attached as **Exhibit 29** is a true and correct copy of a certified translation of the BDL "Fresh Money" Circular (Original Circular No. 150, Original Order No. 13217) dated April 9, 2020.

31. Attached as **Exhibit 30** is a true and correct copy of an article from Reuters entitled "Lebanon's Besieged Banks Scramble to Avoid Near Total Wipeout," dated May 6, 2020.

32. Attached as **Exhibit 31** is a true and correct copy of an article from Executive Magazine entitled "Who Owns the Banks: Revealing the Hands Holding the Real Power in Lebanon," dated July 3, 2010.

33. Attached as **Exhibit 32** is a true and correct copy of an article from Al Arabiya entitled "Former Lebanon finance head says banks 'smuggled' \$6 billion out: FT," dated July 13, 2020.

34. Attached as **Exhibit 33** is a true and correct copy of an article from The New Arab entitled “Lebanese Banker Slammed for Buying Jennifer Lawrence’s \$9.9 Million NYC Apartment,” dated August 9, 2020.

35. Attached as **Exhibit 34** is a true and correct copy of the Bargain and Sale Deed dated July 21, 2020 for the property located at 400 East 67th Street, Unit PH31, New York, New York 10065 as filed with the New York City Department of Finance Office of the City Registrar. This document was retrieved from the New York City Department of Finance Office of Registrar online database.

36. Attached as **Exhibit 35** is a true and correct copy of the Unit Owner’s Power of Attorney dated July 21, 2020 for the property located at 400 East 67th Street, Unit PH31, New York, New York 10065 as filed with the New York City Department of Finance Office of the City Registrar. This document was retrieved from the New York City Department of Finance Office of Registrar online database.

37. Attached as **Exhibit 36** is a true and correct copy of the Mortgage dated July 21, 2020 for the property located at 400 East 67th Street, Unit PH31, New York, New York 10065 as filed with the New York City Department of Finance Office of the City Registrar. This document was retrieved from the New York City Department of Finance Office of Registrar online database.

38. Attached as **Exhibit 37** is a true and correct copy of the Complaint entitled *Mansour v. Mansour*, 1:17-cv-24206-JEM (ECF Doc. 1) and filed in the U.S. District Court for the Southern District of Florida on November 17, 2017.

39. Attached as **Exhibit 38** is a true and correct copy of the Amended Complaint entitled *Mansour v. Mansour*, 1:17-cv-24206-JEM (ECF Doc. 7) and filed in the U.S. District Court for the Southern District of Florida on October 17, 2018.

40. Attached as **Exhibit 39** is a true and correct copy of the Transcript of the Evidentiary Hearing Before U.S. Magistrate Judge Alicia M. Otazo-Reyes on October 8, 2019, in the matter of *Mansour v. Mansour*, 1:17-cv-24206-JEM (ECF Doc. 129).

41. Attached as **Exhibit 40** is a true and correct copy of the Report and Recommendation issued by U.S. Magistrate Judge Alicia M. Otazo-Reyes in the matter of *Mansour v. Mansour*, 1:17-cv-24206-JEM (ECF Doc. 132), and dated January 8, 2020.

42. Attached as **Exhibit 41** is a true and correct copy of an article from The 961 entitled “Lebanese Bank Owners Transferred Abroad Billions of Dollars of Their Personal Money.”

43. Attached as **Exhibit 42** is a true and correct copy of an article from the Middle East Monitor entitled “3 Men Confess to Attacking Lebanon Journalist,” dated February 21, 2020.

44. Attached as **Exhibit 43** is a true and correct copy of an article from Reporters Without Borders entitled “Another Journalist attacked in Beirut,” dated February 14, 2020.

45. Attached as **Exhibit 44** is a true and correct copy of an article from Committee to Protect Journalists entitled “Lebanese Journalist Mohammed Zbib Assaulted in Beirut,” dated February 25, 2020.

46. Attached as **Exhibit 45** is a true and correct copy of the U.S. Department of State’s 2020 Investment Climate Statements: Lebanon Report.

47. Attached as **Exhibit 46** is a true and correct copy of the U.S. State Department’s Travel Advisory for Lebanon dated August 6, 2020.

48. Attached as **Exhibit 47** is a true and correct copy of an article from Vax Before Travel entitled “Lebanon’s Travel Advisory Updated with New Risk Indicators,” dated October 22, 2019.

49. Attached as **Exhibit 48** is a true and correct copy of an article from Reuters entitled “Alvarez & Marsal Confirms Withdrawing from Lebanon Forensic Audit,” dated November 26, 2020.

50. Attached as **Exhibit 49** is a true and correct copy of a publication by Dr. Nasri Antoine Diab entitled “Let Us (Not) Talk About Haircut,” dated April 11, 2020.

51. Attached as **Exhibit 50** is a true and correct copy of an article from Aljazeera entitled “Lebanon’s Outgoing PM ‘Fears for Life’ After Political Fight,” dated November 25, 2020.

52. Attached as **Exhibit 51** is a true and correct copy of the Treasury Financial Manual Bureau of the Fiscal Service, Chapter 6000: Foreign Checks and Currency Drawn on Foreign Banks.

53. Attached as **Exhibit 52** is a true and correct copy of an English translation prepared by United Kingdom translation firm dictate2us and made from the video interview of Banque Du Liban's long-time Govenor, Riad Toufic Salameh found here: <https://www.facebook.com/105184934243050/videos/220288652844508> .

54. Attached as **Exhibit 53** is a true and correct copy of an article from Organized Crime and Corruption Reporting Project (“OCCRP”) entitled “Lebanon’s Offshore Governor,” dated August 11, 2020.

55. Attached as **Exhibit 54** is a true and correct copy of an article from Forbes entitled “Lebanon’s Currency Crisis Paves The Way To A New Future,” dated July 9, 2020.

56. Attached as **Exhibit 55** is a true and correct diagram prepared by Plaintiffs demonstrating the connections between Lebanese politicians and BLC Bank, S.A.L., Credit Libanais, S.A.L., and Al-Mawarid Bank, S.A.L leadership.

57. Attached as **Exhibit 56** is a true and correct copy of Banque du Liban's webpage listing of the Governorate Timeline.

58. Attached as **Exhibit 57** is a true and correct copy of a translated article from Almarkazia entitled "The first president of the Court of Appeal in Beirut commissioned judge Habib Rizkallah issued a decree requesting the heads of pens at the Palace of Justice in Beirut, to meet the financial nature under a financial receipt in the absence of financial stamps," dated July 16, 2020. Upon information and belief, Judge Habib Rizkallah is the son-in-law of the CL Bank's Chairman.

59. Attached as **Exhibit 58** is a true and correct copy of an English translation provided to me of an interview of Marwan Kheireddine made from a video posted online on October 10, 2019 : <https://www.youtube.com/watch?v=K8vW-q2XrYs>

60. Attached as **Exhibit 59** is a true and correct copy of an English translation provided to me of an interview of Marwan Kheireddine made from a video from Lebanese television network, MTV, on December 5, 2019.

Dated this 18th day of December 2020
Stamford, Connecticut

/s/ Christopher J. Major
Christopher J. Major